GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

STARRED QUESTION NO:434
ANSWERED ON:23.04.2008
DECLINING SHARE OF INDIAN SHIPPING TRANSPORT INDUSTRY
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Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the growth of Indian Shipping Transport Industry is declining as compared to that of the World Shipping Industry;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government proposes to utilize the services of experts in the management of the industry for augmenting its growth; and

(d) if so, the details thereof alongwith other steps taken by the Government in this regard?.

Answer

MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS(SHRI T.R. BAALU)

(a) & (b): The percentage share of Indian Shipping tonnage to world shipping tonnage has been declining over the years. According to Lloyd's Register − Fairplay World fleet statistics, the share of Indian tonnage to world tonnage which was 1.33% as on 31.12.1997 declined to 1.16% as on 31.12.2006. The percentage of share of Indian shipping tonnage to world shipping tonnage has been declining due to the inadequate growth of Indian shipping fleet.

(c) & (d): Indian National Shipowners' Association (INSA) is being consulted from time to time regarding augmentation of growth of Indian tonnage. Further, the Government has already introduced tonnage tax to facilitate augmentation of shipping tonnage which has shown results in the past few years. Similarly, the liberalization policy on ship acquisition has been introduced and acquisition of all types of ships has been brought under Open General Licence. Moreover, 100% Foreign Direct Investment has been permitted in ship acquisition and registration formalities of newly acquired ships have been simplified.